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Suchard and the Emergence of Traveling Salesmen in Switzerland, 1860–1920

Based on theoretical findings of the new institutional economics, this examination of the history of the Swiss chocolate company Suchard (founded in 1826) and the Verband Reisender Kaufleute der Schweiz (Association of Swiss Commercial Travelers) describes the economic significance, social image, and everyday life of traveling salesmen between 1860 and 1920. By 1900, commercial travelers formed a critical link between the enterprise and the market, helping to drive the vertical integration of production and distribution. They enjoyed high standing within the company, and many were promoted to executive levels. Traveling salesmen were largely responsible for procuring information and expanding product sales in an era that preceded specialized market research and the domination of advertising companies.

As industrial production became widespread over the course of the nineteenth century, the need arose for distribution networks to handle the burgeoning product volume.¹ The faster sales increased, the more important it became to integrate, plan, and control distribution within the enterprise. As Heidrun Homburg has pointed out, the internalization of the sales function served to secure, extend, and accelerate

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¹ Alfred D. Chandler, *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, Mass., 1977), 287–314 and 382–414, and *Scale and Scope: The Dynamics of Industrial Capitalism* (Cambridge, Mass., 1990), 28–31. For Germany, see Jacob van Klaveren, *Die industrielle Revolution und das Eindringen des Fabrikanten in den Handel* (Dortmund, 1972); and Fritz Bleich, “Absatzstrategien deutscher Unternehmer im 19. und in der ersten Hälfte des 20. Jahrhunderts,” in *Absatzstrategien deutscher Unternehmer, Beiheft der Zeitschrift für Unternehmensgeschichte, Heft 23*, ed. Hans Pohl (Wiesbaden, 1982), 5–46.

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sales by creating and shifting demand. This process harmonized well with technical and organizational rationalization within the company, enabling production to be standardized.² As competition intensified and markets grew fast and became more anonymous, customer demand and the interaction between company and market became decisive factors for company growth. Viewed from the standpoint of economic theory, the growing importance of traveling salesmen in the second half of the nineteenth century can be explained by new institutional economics. In contradiction to neoclassical theory, new institutional economics emphasizes the transaction costs that occur during exchange processes.³ The options for accessing and processing information are limited, and contracts always remain incomplete because they can never cover all the potential details. This state of uncertainty and the varying levels of participants' knowledge ensure that the agents appointed by the companies are in possession of more information than their principals.⁴ The greater the dependency (on individual traders and retailers), the more specialized the exchanged goods, and the rarer the transactions, the greater the likelihood of opportunistic behavior.

To prevent dishonesty, a company has the option of establishing effective incentives and punishments. However, lacking comprehensive knowledge of its salesmen's activities, a company can never have complete control over them. Another option is to establish a corporate culture and communication style that fosters trust and cooperation.⁵ In

² Heidrun Homburg, "Werbung—'eine Kunst' die gelernt sein will: Aufbrüche in eine neue Warenwelt, 1750–1850," *Jahrbuch für Wirtschaftsgeschichte* 37 (1997): 11–52, 18.

³ Hartmut Berghoff, "Transaktionskosten: Generalschlüssel zum Verständnis langfristiger Unternehmensentwicklung? Zum Verhältnis von Neuer Institutionenökonomie und moderner Unternehmensgeschichte," *Jahrbuch für Wirtschaftsgeschichte* 39 (1999): 159–176; Anne Nieberding and Clemens Wischermann, "Unternehmensgeschichte im institutionellen Paradigma," *Zeitschrift für Unternehmensgeschichte* 43, Heft 1 (1998): 35–48; Clemens Wischermann, "Vom Gedächtnis und den Institutionen: Ein Plädoyer für die Einheit von Kultur und Wirtschaft," and Felix Butschek, "Wirtschaftsgeschichte und Neue Institutionenökonomie," both in *Wirtschafts- und Sozialgeschichte: Gegenstand und Methode*, ed. Eckart Schremmer (Stuttgart, 1998), 21–33 and 89–100; and Toni Pierenkemper, *Unternehmensgeschichte: Eine Einführung in ihre Methoden und Ergebnisse* (Stuttgart, 2000), 254–64.

⁴ The term "agent" refers here to the "principal–agent" theory central to new institutional economics, and should not be confused with the term as used later in this paper, where "agent" refers to a self-employed representative of a company.

⁵ Hartmut Berghoff, "Die Zähmung des entfesselten Prometheus? Die Generierung von Vertrauenskapital und die Konstruktion des Marktes im Industrialisierungs- und Globalisierungsprozess," in *Wirtschaftsgeschichte als Kulturgeschichte: Dimensionen eines Perspektivenwechsels*, ed. Hartmut Berghoff (Frankfurt a. M., 2004), 143–68, and "Vertrauen als ökonomische Schlüsselvariable: Zur Theorie des Vertrauens und der Geschichte seiner privatwirtschaftlichen Produktion," in *Die Wirtschaftsgeschichte vor der Herausforderung durch die New Institutional Economics*, ed. Karl-Peter Ellerbrock and Clemens Wischermann (Dortmund, 2004), 58–71; Martin Fiedler, "Vertrauen ist gut, Kontrolle ist teuer: Vertrauen als Schlüsselkategorie wirtschaftlichen Handelns," *Geschichte und Gesellschaft* 27, Heft 4 (2001): 576–92; Britta Stücker, "Werbung um Vertrauen durch Schaffung eines posi-

both cases, the objective of entrepreneurial action is to lower transaction costs. The right assessment, interpretation and combination of the available information become essential tasks for the company's management. Communication and trust play a particularly important role as the number of (anonymous) customers expands, the distance to the company grows longer, and the control mechanisms for traveling salesmen or the quality of the work of retailers become more complex. Following Mark Casson's assumption that success is based on relationships and networks, traveling salesmen, as both sources of information and go-betweens, are clearly significant company players.⁶

However, it is only in recent years that researchers have turned their attention to the history of product marketing and have begun to publish studies on the coordination, the mutual influence, and the interdependency of production, sales, and consumption. In the history of enterprise, there has traditionally been a strong emphasis on production, while the sales function has been largely overlooked, as have the history and significance of the trade sector.⁷ Consequently, traveling salesmen—a group that is of considerable economic, social, and cultural-historical interest—have only in recent years become the subject of academic research, which has been conducted mainly in English. Particularly valuable contributions are Roy Church's stimulating summary of the history of traveling salesmen in Great Britain and in the United States, which was published in 2008, and the monographs by Timothy Spears (1994), and Walter Friedman (2004) on the economic and cultural history of traveling salesmen and the increasing professionalization of "sales management" in America.⁸ A number of shorter studies focus on economic,

tiven Firmenbildes—Die Öffentlichkeitsarbeit der Bielefelder Anker-Werke," in *Unternehmenskommunikation deutscher Mittel- und Großunternehmen*, ed. Clemens Wischermann (Dortmund, 2003), 181–213; and Christian Hillen, ed., "Mit Gott": *Zum Verhältnis von Vertrauen und Wirtschaftsgeschichte* (Cologne, 2007).

⁶ See Mark Casson, "Der Unternehmer: Versuch einer historisch-theoretischen Deutung," *Geschichte und Gesellschaft* 27, Heft 4 (2001): 524–44, and "Institutional Economics and Business History: A Way Forward?" *Business History* 39 (1997): 151–71.

⁷ Roman Rossfeld, "Unternehmensgeschichte als Marketinggeschichte: Zu einer Erweiterung traditioneller Ansätze in der Unternehmensgeschichtsschreibung," in *Marketing—historische Aspekte der Wettbewerbs- und Absatzpolitik*, ed. Christian Kleinschmidt and Florian Triebel (Essen, 2004), 17–39, and Hartmut Berghoff, "Marketing im 20. Jahrhundert: Absatzinstrument—Managementphilosophie—universelle Sozialtechnik," in *Marketinggeschichte: Die Genese einer modernen Sozialtechnik*, ed. Hartmut Berghoff (Frankfurt a. M., 2007), 11–58. For the significance of retailers, see Uwe Spiekermann's fundamental study *Basis der Konsumgesellschaft: Entstehung und Entwicklung des modernen Kleinhandels in Deutschland, 1850–1914* (Munich, 1999).

⁸ See Roy Church, "Salesmen and the Transformation of Selling in Britain and the U.S. in the Nineteenth and Early Twentieth Centuries," *Economic History Review* 61 (August 2008): 695–725. For the American market, with a special focus on the development of modern sales strategies, see Walter A. Friedman, *Birth of a Salesman: The Transformation of Selling in*

social, and cultural history in England and the United States.⁹ While several books and papers have been published on the history of white-collar workers in Germany and Switzerland, traveling salesmen are mentioned only in passing, as for instance, in Jürgen Kocka's studies of Germany and Mario König's book on white-collar workers in Switzerland, published in the 1980s. As another example, in Günther Schulz's recent book on the history of white-collar workers in Germany, published in 2000, traveling salesmen are mentioned only infrequently.¹⁰

This dearth is all the more surprising in view of the wealth of existing source material: in addition to documents held in internal company archives—containing details about the number of traveling salesmen and their responsibilities, correspondence, company journals, and reports from the numerous conferences regularly held for commercial travelers—there is a wide range of external sources. These include the handbooks and guides that began to be regularly published at the end of the

America (Cambridge, Mass., 2004); and for a more cultural perspective, see Timothy B. Spears, *One Hundred Years on the Road: The Traveling Salesman in American Culture* (New Haven, 1994).

⁹ Andrew Godley, "Selling the Sewing Machine around the World: Singer's International Marketing Strategies, 1850–1920," *Enterprise & Society* 7, no. 2 (2006): 266–314; Michael French, "Commercials, Careers, and Culture: Traveling Salesmen in Britain, 1890s–1930s," *Economic History Review* 58, no. 2 (2005): 352–77; Nancy F. Koehn, "Henry Heinz and Brand Creation in the Late Nineteenth Century: Making Markets for Processed Food," *Business History Review* 73 (Autumn 1999): 349–393; and Katina Lee Manko, "Now You Are in Business for Yourself: The Independent Contractors of the California Perfume Company, 1886–1938," *Business and Economic History* 26, no. 1 (1997): 5–26. For a more detailed account of the history of traveling salesmen in the first half of the nineteenth century, see Andrew Popp, "Building the Market: John Shaw of Wolverhampton and Commercial Traveling in Early Nineteenth-Century England," *Business History* 49, no. 3 (2007): 321–47, and "Barriers to Innovation in Marketing in the Mid-Nineteenth Century: Merchant-Manufacturer Relationships," *Business History* 44, no. 2 (2002): 19–39; and David Jaffee, "Peddlars of Progress and the Transformation of the Rural North, 1760–1860," *Journal of American History* 78 (1991): 511–35. See also Christopher P. Hosgood, "The 'Knights of the Road': Commercial Travellers and the Culture of the Commercial Room in Late-Victorian and Edwardian England," *Victorian Studies* 37 (Summer 1994): 519–47; and Susan Strasser, "The Smile That Pays: The Culture of Traveling Salesmen, 1880–1920," in *The Mythmaking Frame of Mind: Social Imagination and American Culture*, ed. James Gilbert et al. (Belmont, Mass., 1993), 155–78.

¹⁰ See Jürgen Kocka, *Die Angestellten in der deutschen Geschichte, 1850–1980: Vom Privatbeamten zum angestellten Arbeitnehmer* (Göttingen, 1981); Jürgen Kocka, ed., *Angestellte im europäischen Vergleich: Die Herausbildung angestellter Mittelschichten seit dem späten 19. Jahrhundert* (Göttingen, 1981); and Günther Schulz, *Die Angestellten seit dem 19. Jahrhundert, Enzyklopädie Deutscher Geschichte, Band 54* (Munich, 2000). For Switzerland, see Mario König, who explicitly left traveling salesmen out of his study: Mario König, *Die Angestellten zwischen Bürgertum und Arbeiterbewegung: Soziale Lage und Organisation der kaufmännischen Angestellten in der Schweiz, 1914–1920* (Zurich, 1984), and Mario König, Hannes Siegrist, and Rudolf Vetterli, *Warten und Aufrücken: Die Angestellten in der Schweiz, 1870–1950* (Zurich, 1985). For the older literature on Switzerland, see Pierre Bideau, *Le voyageur de commerce: Son histoire, son activité, sa formation professionnelle* (Lausanne, 1936).

nineteenth century, and public debates about the role and the image of traveling salesmen, often displayed in caricatures. At the same time, national statistics were compiled on the growing numbers of commercial travelers. The first traveling salesmen's association in Europe—the Verband Reisender Kaufleute der Schweiz VRKS (Association of Swiss Commercial Travelers)—was founded in 1878 in Switzerland, followed in 1884 by the Verband Reisender Kaufleute Deutschlands (Association of German Commercial Travelers). Other associations were founded in the next few years; some published enlightening journals and reports. In Switzerland, *Merkur*, the official house organ of the VRKS, was first published in 1881, and in Germany the first issue of the *Post reisender Kaufleute Deutschlands* (Mail of German Commercial Travelers) was published in 1891. These journals offer a wealth of information about the working conditions, lifestyle, and daily challenges once faced by traveling salesmen.¹¹

In this article, I describe the rise of the Swiss-chocolate industry that took place around 1900, before focusing on one company, Suchard, which was founded in 1826. I then examine the changes that occurred between 1860 and 1920: in the numbers of traveling salesmen, in their various responsibilities for selling and distributing products, and in their position within the company. A closer look at the activities of the VRKS will show how commercial travelers became organized and professional. The final section concludes with a brief look at the everyday lives of the salesmen and their changing image as the representatives of a new, unknown world of commodities.

Suchard's Traveling Salesmen

Suchard is a good subject for several reasons. First, by 1900, chocolate was no longer the luxury product it had once been. By then, it had become a widely distributed and available item that needed appropriate sales channels and a well-organized distribution network capable of covering long distances. Second, as the only Swiss chocolate factory to report continual growth since the first half of the nineteenth century, Suchard exemplifies both the increasing importance of distribution and the evolution in the responsibilities and daily lives of commercial travelers over a long period of time.

After the invention of milk and “fondant” chocolate by Daniel Peter and Rudolf Lindt in the 1870s and 1880s, the Swiss chocolate industry underwent a period of rapid growth. Until well after 1900, Switzerland

¹¹ Karl Bott, *Handwörterbuch des Kaufmanns: Lexikon für Handel und Industrie*, 5 vols.

(Hamburg, 1925–27), 4: 630.

remained the only producer of milk and fondant chocolate in the world, giving Swiss producers a crucial first-mover advantage that endured for many years and decisively shaped the growth of this industry.¹² Until around 1900, Suchard was by far the largest company. Founded in 1826 by Philippe Suchard (1797–1884) in Serrières near Neuchâtel in western Switzerland, the company's growth in the first half of the century was slow, as there was not yet a great demand for chocolate. In 1860, the German Carl Russ (1838–1925) joined the company as its first traveling salesman; he married Marie-Eugénie Suchard, one of the founder's daughters, in 1868 and became Suchard's senior authorized signatory a year later. Following the deaths in rapid succession of Philippe Suchard senior and junior, Carl Russ-Suchard rose to the top of the company and decisively shaped its fortunes over the next four decades. By 1880, Suchard had its first foreign subsidiary in Lörrach in southern Germany near the Swiss border, followed in 1888 by the foundation of a subsidiary in Bludenz, Austria. The subsidiary in Lörrach grew so rapidly that by 1913 the company was manufacturing 25 percent to 30 percent of its total production volume there. More subsidiaries followed: in 1903 in Paris, where Suchard had a warehouse for many years and employed several agents, and in 1909 in San Sebastian in Spain. Despite all these new subsidiaries, Germany remained the most important foreign market. In 1905, the company changed its legal form from a limited partnership to a public limited company with a capital of nine million Swiss francs, which was by far the largest share capital of any of the Swiss chocolate companies. By then, Suchard employed more than 1,700 workers: the company had effectively made the transition from medium-sized to major enterprise and on the eve of the First World War, it employed more than 2,600 people.¹³

Beginning in the 1860s, Suchard sold its products to retailers—bakeries, cake shops, department stores, and consumer cooperatives—but never directly to consumers. Distribution was managed through a diverse network of agents, traveling salesmen, and depots, which targeted new customers and supplied chocolate to a growing number of

¹²To make “fondant” chocolate, the cocoa mass is processed in a conche grinder for several days; prior to this, chocolate has a gritty texture. Conching gives the mass a much finer consistency, hence the “melting” sensation. Conching also changes the flavor of the product. Roman Rossfeld, *Schweizer Schokolade: Industrielle Produktion und kulturelle Konstruktion eines nationalen Symbols, 1860–1920* (Baden, 2007), 142–76; and Francesco Chiapparino, “Milk and Fondant Chocolate and the Emergence of the Swiss Chocolate Industry at the Turn of the Twentieth Century,” in *Food and Material Culture*, ed. Martin R. Schäfer and Alexander Fenton (Vevey, 1998), 330–44.

¹³Rossfeld, *Schweizer Schokolade*, 104–41 and 226–65; Christa Edlin, *Philippe Suchard (1797–1884): Schokoladefabrikant und Sozialpionier* (Glarus, 1992); and Francis Mauler, *Die Suchard Schokolade, 1826–1926* (Neuenburg, 1926).

retailers. Suchard used the national and international exhibitions, which became increasingly popular in the second half of the century, to present the company's products and make initial contact with agents and retailers. In the event of low demand, a lack of market data, or long distances that prevented the company from establishing its own distribution network or deploying company salesmen, Suchard would penetrate the market with the aid of agents, who generated no fixed overheads for the company. Unlike the traveling salesmen, these agents were independent, self-employed local representatives who were familiar with local market conditions.¹⁴ Exactly when Suchard started setting up its own network of agents can no longer be determined, but by the 1870s the company had agencies in Hamburg, London, and Paris. At the beginning of the 1880s, *rayons*, or clearly defined geographic regions, were assigned to each agency, and by 1891 Suchard had forty-eight agencies all over Europe, in Constantinople, and on the North African coast. By 1900, this number had increased to sixty-nine, with the company focusing on consolidating the agency network in more distant regions, where coverage was still patchy. At the beginning of the 1870s, agents were deployed specifically to increase sales, adapt products to customer demand, and survey markets. Carl Russ-Suchard promised to implement "with speed" any suggestions made by agents "aimed at simplifying and boosting sales." In a circular sent out in 1871, he asked a number of questions to which the agents were expected to provide detailed answers. These questions were designed not only to identify suitable methods of boosting sales of chocolate in specific regions, but also to supply information about quality, to suggest changes that should be made to the products, and to provide information about the activities of competitors, many of whom were still unknown to Suchard.¹⁵

In a long article published in 1914, the *Merkur* opined that familiarity with the day-to-day workings of the markets meant that agents knew

¹⁴ In 1914, *Merkur* defined an agent as "every self-employed member of the trading classes . . . who is permanently commissioned by businessmen, most of whom live elsewhere, to conduct business for them at his place of residence or for a larger, usually clearly defined area, and to acquire new customers and represent their interests." *Merkur, Offizielles zweisprachiges Organ des Verbandes reisender Kaufleute der Schweiz: Die Fachzeitung des reisenden Kaufmanns* 23 (6 June 1914). On the significance of agents, see also Church, "Salesmen," 700.

¹⁵ *Circulaire aux Agents*, 31 Dec. 1871, no. 2501, Archives Suchard-Tobler (AST). Suchard had asked its agents to answer the following questions: "1. What would you find useful to make my chocolate better known and to increase consumption in your area? 2. Do all of your customers appreciate the high quality of my products equally, or have you heard any requests to make changes, and if so, then which ones? 3. Can you share with me any remarks the customers have made about my products and the way my company operates? 4. What are the most well-known competitors in your region and how well do they sell in comparison to my products? If there are any important factories in your area, can you send me samples of their products and price lists?"

“far better than their ‘bosses’ whether the standardized prices were really suited to the market conditions.”¹⁶ Their specific contribution was the “anticipation and thus the moderation of price fluctuations.” With the aid of the agents “in many branches the fundamental divergence between supply and demand was addressed and the relevant balancing of the two accomplished.”¹⁷ At the same time, the *Merkur* pointed out the difficulties that could arise when working with agents. The agent had to test his independence “in both directions.” He forged relationships without allowing either side to get close enough to eliminate him from the process.¹⁸ Frequently, the agents’ interests differed from the company’s: they often sold a variety of goods and were more familiar with market conditions, which could lead them into opportunist behavior. New institutional economics would frame the choice of whether to use traveling salesmen or to rely on agents as one that was largely determined by the frequency of transaction costs. Only when sales exceeded a certain volume did the opportunism of the agents become a threat, thus justifying the additional overhead of employing them as salesmen.¹⁹ The higher the sales, the more important it became for the company to integrate, plan, and control all aspects of sales and distribution.

Traveling Salesmen and Increasing Vertical Integration

Selected agencies were converted now into “main stock locations” operated by the company itself, while the number of traveling salesmen rapidly increased after the 1890s. The recruitment of Suchard’s first traveling salesman, Carl Russ, took place at the same time that Suchard launched its own factory brand, the “Suchard Medallion,” and built a direct link to the Swiss railway network. In 1866, Alois Fuchs, who later became director of the subsidiary in Lörrach, joined the company as its second traveling salesman.²⁰ Throughout the 1870s and 1880s, Suchard employed more traveling salesmen: Bror Goethe Sjoestedt (1873), Heinrich Holzach (1876), Léon Werenfels (1878), and Frédéric de Rutté (1882), all of whom rose in the company’s ranks over the following decades to become directors. De Rutté, who like Russ and Sjoestedt married into the Suchard family, was put in charge of advertising and was eventually promoted to vice president of the administrative board, thus becoming one of the most important figures in the company alongside

¹⁶ “Der Handelsagent und die Preisbildung,” *Merkur* 27 (4 July 1914).

¹⁷ *Merkur* 26 (27 June 1914).

¹⁸ *Merkur* 24 (13 June 1914).

¹⁹ See Berghoff, “Transaktionskosten,” 167.

²⁰ Rossfeld, *Schweizer Schokolade*, 204–17 and 321–30.

Carl Russ-Suchard. Like many other chocolate companies, in the 1890s Suchard moved to integrate the supply chain into its operations by buying up cocoa-bean plantations. The aim of this shift was to gain better control and secure supplies of raw materials. The integration of the supply chain was put under the management of a former traveling salesman, Jules Arthur du Bois, who was born in 1874. Together with the “société agricole Montandon, Descombes et Cie., négociants suisses” in Sabana, the company started growing cocoa on two large plantations in the north of the Dominican Republic.²¹ Thus, the traveling salesmen formed a valuable pool from which Suchard drew executives, and when the company became incorporated it was headed by two former traveling salesmen, Carl Russ-Suchard and Frédéric de Rutté. Additionally, some of Suchard’s authorized signatories and—as far as is known—at least two directors of subsidiaries originally joined the company as traveling salesmen.

Initially, the traveling salesmen had no specifically defined territories and covered all of Switzerland and Germany; after 1880, clearly delineated *rayons* were assigned. This not only made it easier for the salesmen to build personal relationships with customers and visit regularly; it also facilitated company control over the salesmen and the commissions they were paid.²² Unfortunately, it is impossible to reconstruct exactly how many traveling salesmen the company employed in the following years, partly because some also performed other functions within the company and partly because, after 1870, there were an unknown number of traveling salesmen and agents working for Suchard in the various central-stock locations.²³ However, on the basis of an 1897 list of all employees in Serrières, it is possible to pinpoint several fundamental developments.²⁴ In 1895, there were twenty-five traveling salesmen working for Suchard; by 1900, this number had risen to more than forty; in 1910, there were over sixty; and, finally, in 1913 Suchard had eighty traveling salesmen. This represented around 3 percent of all

²¹ *Ibid.*, 325–28.

²² See two maps showing the different “rayons des voyageurs,” no. 2374 and no. 3070, AST, and the “Comptes de voyages” for the period 1880–88, no. 2516, AST.

²³ In 1903 there were seven commercial travelers working for the main stock warehouse in London, increasing to eighteen by 1910. In France and Spain, there were also traveling salesmen for the warehouses in Paris and Madrid. In Paris, the director of the warehouse, A. Benit, founded his own agency in Nice in 1885 that was responsible for all sales in the “Département des Alpes-Maritimes.” A. Benit, “Rundschreiben an den Detailhandel,” 1 May 1885, no. 1819, AST.

²⁴ See “Liste des employés de la fabrique Russ-Suchard & Cie. à Serrières du 1.11.1897,” nos. 2339 and 4647, AST. While this list does not include salesmen who had left the company before 1897, the fact that many blue- and white-collar employees had worked for the company for many years and the relatively small number of traveling salesmen in the 1880s gives a good (almost complete) overview of the company’s development.

Suchard's employees; however, in 1913 the number of white-collar workers was 148, only twice the number of traveling salesmen. For the period before the First World War, these figures are practically identical to those recorded by the English chocolate factory Rowntree and the largest German manufacturer, Stollwerck, both of which, like Suchard, employed male traveling salesmen exclusively and sold their products through retailers.²⁵ Around 1910, Suchard had, for the first time, more traveling salesmen than agents; the ratio had changed within the space of a few years. While the number of agents rose steeply until 1890, by which time the company had established three-quarters of its agency network, the number of traveling salesmen increased significantly after 1890. From the mid-1890s on, many traveling salesmen were also employed as white-collar workers, performing other functions in the company. After 1900 it became common practice to recruit new salesmen from the company's fast-growing pool of white-collar workers. Many of these employees had worked for the company for several years, were familiar with the internal procedures, products, sales terms and conditions, and had proved themselves to be loyal employees.

The increasing significance of traveling salesmen in these years—particularly in food industries—is shown in the statistics on the “traffic of Commercial travelers,” which were published annually after 1893.²⁶ The year 1893 saw the introduction of the Swiss Patenttaxengesetz (the license-charge act), which imposed a standard tax rate on salesmen that replaced the varying cantonal tax rates previously applied. The primary function of the act was to control traveling salesmen by requiring them to hold a patent—a license that had to be purchased—and to enforce compliance through restrictions on traveling trades. The act resulted in the first complete list of traveling salesmen in Switzerland.²⁷ In 1895, there were 19,118 traveling salesmen in Switzerland working for Swiss and foreign companies in a variety of different branches. The major proportion, 6,469, or roughly one-third, worked in the food and luxury-food industry. In a distant second place was the much older and more important textiles industry (with 4,805 commercial salesmen), followed

²⁵ Robert Fitzgerald, *Rowntree and the Marketing Revolution, 1862–1969* (Cambridge, 1995), 220f.; Francis Goodall, “Marketing Consumer Products before 1914: Rowntree and Elect Cocoa,” in *Markets and Bagmen: Studies in the History of Marketing and British Industrial Performance, 1830–1939*, ed. Richard P. T. Davenport-Hines (Aldershot, 1986), 16–56; and Bruno Kuske, *Ausführliche Firmengeschichte: Unveröffentlichtes Typoskript zur Geschichte der Schokoladefabrik Stollwerck* (Cologne, 1939), 293.

²⁶ *Statistisches Jahrbuch der Schweiz* (Zurich, 1893); see also *Jahrbuch des Verbandes reisender Kaufleute der Schweiz* (Zurich, 1878).

²⁷ Eugen Traber-Hefti, “Geschäftsreisende,” in *Handwörterbuch der Schweizerischen Volkswirtschaft, Sozialpolitik und Verwaltung: Zweiter Band*, ed. Naum Reichesberg (Bern, 1905), 266–72. Before the Patent Tax Act was introduced, traveling salesmen were regulated under the various market and peddlers' laws of the twenty-five cantons.



Suchard's directors and traveling salesmen in 1893. On the left, sitting at the table, is the head of the company, Carl Russ-Suchard (1838–1925). (Source: Archives Suchard-Tobler no. 4548.)

by the metal industry (1,357), and literature and works of art (1,305).²⁸ Although the numbers across all sectors continued to rise, the proportions remained relatively stable until the First World War. In 1900, there were 9,444 commercial salesmen working for the food and luxury-food industry (out of a total of 26,837 salesmen); by 1905 this figure had risen to 10,470 (out of a total of 31,748 salesmen).²⁹ In comparison to the overall figures for Swiss industry, traveling salesmen in the food and luxury-food sector accounted for a high proportion of all traveling salesmen. After the 1890s, around one-third of all commercial travelers worked in the food and luxury-food sector, but this sector represented only between 7 percent and 8 percent of all workers employed in Switzerland.³⁰

²⁸ *Merkur* 16 (16 Apr. 1898).

²⁹ *Merkur* 12 (23 Mar. 1901) and 6 (10 Feb. 1906). Church documents similar growth rates for England and Wales, where the number of traveling salesmen rose from 49,868 (1891) to 74,964 (1901) and 98,428 (1911). See Church, "Salesmen," 701. Around 1900, there was also a comparable increase in the number of traveling salesmen in the United States. Stanley C. Hollander estimates that the number of traveling salesmen in the United States rose from around 100,000 at the beginning of the 1880s to 300,000 around 1900. Stanley C. Hollander, "The Marketing Concept: A Déjà Vu," in *Marketing: Management Technology as a Social Process*, ed. George Fisk (New York, 1986), 3–28, 12.

³⁰ See the Swiss factory statistics for 1888 and 1911 in Alfred Gutzwiller, *Die schweizerische Schokoladenindustrie und die Weltkakaowirtschaft: Eine volkswirtschaftliche Studie* (Liestal, 1932), 112.

At the same time that Suchard was setting up central stock warehouses and employing traveling salesmen and agents, it was also establishing “depots,” privileged warehouses for the regional distribution of products. From the 1860s, Suchard mentioned the company’s “depots in all major European and Oriental cities” in its advertisements.³¹ Initially, this claim may have been an exaggeration, but the network was constantly being expanded. The depots, many of which operated for decades, were set up on the premises of selected regional distributors, who then sold the products “at factory prices” to local retailers. Among the benefits of this method were shorter delivery times and fewer logistical requirements. At the same time, the depots enabled the company to bypass wholesalers and supply retailers directly. They marked a further step toward the vertical integration of production and distribution. According to Alfred Gutzwiller, wholesalers had stopped playing any role in the distribution of chocolate in Switzerland well before the First World War.³²

As the company’s products came to be sold in more regions, it became necessary to introduce new internal organizational structures. The number of employees responsible for handling product sales rose rapidly, particularly after the 1890s, and it became more difficult to maintain personal contacts with individual agents or retailers.³³ In 1860, a sales office was established with only a handful of employees; in 1900, a central administrative complex, divided into several departments, was built. All commercial activities, accounting, and the trade department were grouped together in the “Tivoli Office.” The building contained the “bosses’ offices” on the top floor, the “raw materials” office, the “tasting room” where the cocoa was tested, the “grand hall for the traveling salesmen,” and a “conference room.” There was also a statistical office, which quickly grew in size and soon employed several staff; its task was to provide “precise overviews of sales increases and decreases in any town.”³⁴

³¹ Advertisement from 1866, FWS 2, Archiv Suchard Lörrach.

³² Gutzwiller, *Die schweizerische Schokoladenindustrie*, 75. This method of organizing distribution with main warehouses, agents, traveling salesmen and depots is corroborated in Theodor Tobler, *Kakao, Chocolate und Schweizerische Chocolate-Industrie: Auszugsweise Wiedergabe eines Vortrages, gehalten von Herrn Direktor Th. Tobler, den 27. März 1914 in Bern* (Bern, n.d.), 43f. Cailler initially sold his chocolate in England through independent agents, and in 1910 he founded Cailler’s British Agency in London with a branch office in Liverpool. Eduard Schiess, *L’Industrie Chocolatière Suisse: Etude économique précédée d’un aperçu général sur le cacao et le chocolat* (Lausanne, 1913), 134.

³³ For more information about the continuous increase in the initially relatively small number of commercial employees in Swiss industry since the 1880s, see König, *Warten und Aufrücken*, 27–30 and 39.

³⁴ *Entre nous: Journal intime du Personnel de la maison Russ-Suchard & Cie. Fabrique de Chocolat Ph. Suchard* (Neuchâtel, 1898–1901), 6 (1 June 1900): 135f., no. 4042, AST. For an analysis of the development of the increasingly specialized commercial administration after the 1880s, see König, *Warten und Aufrücken*, 29–60.

With the aid of these statistics, the office staff could track orders and instruct—and control—the traveling salesmen. At the same time, this arrangement enabled the impact and effectiveness of advertisements used in specific stores or towns to be evaluated. While this was “a complex, time-consuming task” it also enabled the company to avoid “unnecessary expenditure,” and helped with the targeting of its advertising activities.³⁵ After becoming incorporated in 1905, the company also held regular conferences (possibly annually) with the traveling salesmen in Serrières. Before the First World War, detailed quarterly and half-yearly reports provided a comprehensive overview of the development of sales in individual countries. All these measures improved the interaction between the company and the market and facilitated the planning and control of sales.

In 1908, the *Merkur* published a long article, “Industrial Technology and the Science of Selling,” stating that companies were no longer satisfied with having agents submitting “the occasional short report which provided very little information.” Now, in addition to more stringent controls, companies expected “regular detailed reports” about everything that had “any relevance to increasing sales in that particular region.” For the traveling salesmen, the level of control had become “much tighter and the personal development more intense” because here, the aim of the company was to “express in an animated way” its “lifeblood,” its principles and methods.³⁶ At Suchard this development culminated in the gathering of statistics about the traveling salesmen that enabled the company to glean exact details about their performance. Additionally, Suchard hired a special inspector of agents, Alfred Genner, who had originally joined the company in 1899 as a traveling salesman. In 1925, the company also employed an inspector of traveling salesmen, whose task it was to visit customers and inquire about the work and the behavior of the commercial travelers.³⁷

³⁵ *Entre nous* 10 (Oct. 1898): 291, no. 4043, AST.

³⁶ *Merkur* 24 (13 June 1908). According to *Merkur*, large American companies were issuing their own monthly magazines or brochures that were exclusively for “the distribution amongst their legions of traveling salesmen and agents.” In addition to numerous suggestions and proposals for increasing sales, these publications also provided sales statistics and the names of the salesman or agents who had achieved the best and the worst sales results. *Merkur* 25 (20 June 1908).

³⁷ “Rapport du Conseil d’Administration. Exercice 1925,” 5, no. 1395, AST. An internal report from 1920 called for “la nomination event. d’un ou 2 inspecteurs” and “une plus grande surveillance du travail des voyageurs.” As it became easier to make sales, the control procedures for salesmen had been reduced during the First World War, and now were being stepped up again. See “Quelques considerations sur les mesures à prendre pour l’augmentation de la vente en suisse,” 20 Mar. 1920, 4, no. 2183, AST.

On the Road

Merkur repeatedly published articles describing the tough life of a traveling salesman and elaborating on the bad roads, unheated train carriages, ruined health, and lost sample cases. In 1899, the publication carried a somber description of the traveling salesman on the road,

rushing with his cases, by train and coach from town to town, in the foulest weather, having to endure with resignation the whims and harassment of every village shopkeeper, gulping down dubious food, dashing to catch the train, and then, after a tiring and often unsuccessful day, having to attempt to catch some sleep.³⁸

Prior to the invention of telegraphs and telephones, contact with the traveling salesmen took place through letters providing information and instructions. The letters from Philippe Suchard to Carl Russ between 1860 and 1863 are impressive, if fragmented, evidence of Russ's travels throughout Europe.³⁹

The more distant the destinations, the more difficult it became to sell the company's product. All orders were sent by letter to Serrières and dispatched "with the greatest speed."⁴⁰ A letter written by Philippe Suchard in December 1860 proves how much the company was interested not only in production, but also in hearing about customers' opinions and requirements. When sales declined in Val de Joux in the canton of Waadt, Suchard wrote anxiously: "Please explain to me why you have sold less in Val de Joux than previously. . . . How can I keep my customers satisfied if I cannot hear them thinking about my products!!"⁴¹ Suchard recommended that "rigorous" action be taken against customers who were disinclined to pay, and by 1862 he had sent Russ "circulars about the use of chocolate and its falsification" that were to be distributed to hotels and retailers.⁴² Russ also received the samples he needed to gain new customers. In 1862, advertising boards made in Paris were hung up in "main stations and hotels" and in "all major cities."⁴³ Choco-

³⁸ *Merkur* 45 (11 Nov. 1899).

³⁹ See various letters to Carl Russ in no. 509, AST, for 1860, and for 1861–1863, no. 1538, AST.

⁴⁰ Letter from Philippe Suchard to Carl Russ, 6 Nov. 1862, no. 1538, AST.

⁴¹ Letter from Philippe Suchard to Carl Russ, 3 Dec. 1860, no. 509, AST.

⁴² Letter from Philippe Suchard to Carl Russ [dated 1860], no. 509, AST, and letters from Philippe Suchard to Carl Russ, 6 and 11 Aug. 1862, no. 1538, AST. As late as 1885, in an article about the "national economic significance of traveling salesmen," which touched on payments and creditworthiness, the *Merkur* stated: "The imminent visit of the traveling salesman forces the lax payer to take a quick look in his books, reorganize his stocks and provide accounts of his product loans." *Merkur* 29 (18 July 1885).

⁴³ Letter from Philippe Suchard to Carl Russ, 25 Sept. 1862, no. 1538, AST. For more information about the use of samples to gain new customers see Letter from Philippe Suchard to Carl Russ, 26 Feb. 1861, no. 1538, AST.

late consumption was still not widespread, making it doubly imperative to maintain close and constant contact with the customers. In a 1901 article about the “advantages and necessity of commercial traveling,” *Merkur* wrote that the main benefit resided “in the personal contact with the customer,” because companies felt “very little compunction” to respond to a written offer.⁴⁴

In 1898, Giovanni Cortellini, who had been traveling throughout Italy for the company since 1871, wrote an article in *Entre nous*, the Suchard company magazine launched in 1898, describing the work practices that were closely coordinated with the company. Each traveling salesman had in his sample case “white, blue, green, grey, yellow-brown or lemon yellow colored order slips, information about the company’s terms and conditions, writing paper and envelopes.” Additionally, he would carry a “limited number of advertising materials to hand out to customers” and, according to Cortellini, the traveling salesmen were now on the road for 250, 300 or even 320 days a year.⁴⁵ Their main duties—“to increase sales and reduce traveling expenses!”—were aimed not only at boosting turnover but also at increasing the company’s profitability.⁴⁶ The traveling salesmen also participated in planning the use of advertising, distributing advertising materials, and improving their effectiveness. In 1899, Suchard employed Jean Derungs, a traveling salesman who was “solely responsible for advertising,” and in 1905 the company sent out a circular requesting the traveling salesmen to submit detailed reports about which type of advertising they considered to be the most effective “for the distribution of our brands and the enhancement of our business relationships.”⁴⁷ In an article written for *Entre nous* in 1898, Heinrich Holzach, who had spent ten years traveling throughout Germany for the company and had succeeded Alois Fuchs as director of the Lörrach subsidiary in 1885, reviewed his activities for the company and described the special position of the commercial travelers: in the *Reisendenbureau* (traveling salesmen’s office) they would come together as

employees of the first water, each with a cigar, recounting their experiences on the road. . . . Occasionally, the traveling salesmen would convene around the hospitable table of Père Suchard. . . . He

⁴⁴ *Merkur* 52 (28 Dec. 1901).

⁴⁵ *Entre nous* 3 (Mar. 1898): 87, no. 4043, AST.

⁴⁶ *Ibid.*

⁴⁷ *Entre nous* 5 (May 1899): 148, no. 4044, AST. Circular letter to the salesmen, 25 Jan. 1905, no. 2519, AST. It is not known whether and when Suchard conducted direct customer surveys. The company’s English competitor, Rowntree, conducted a survey in 1909, contacting 4,500 consumers by phone in eleven towns. Later, Rowntree started a major “house-to-house canvassing campaign” with more than 65,000 telephone calls in order to win new customers. See Goodall, “Marketing Consumer Products before 1914,” 16–56, 27–34.



Antoine Wassali, one of Suchard's traveling salesmen, in his car, in 1894. (Source: Archives Suchard-Tobler no. 3165.)

had a great fondness for the commercial travelers, perhaps because he viewed them as the real drivers of employment at the factory, or perhaps because of his own fondness for traveling.⁴⁸

The high esteem in which these salesmen were held was also expressed in their special income, which was, however, prone to considerable fluctuation. Their remuneration comprised a fixed salary, traveling expenses, and a commission that depended on sales, a feature that was introduced at the beginning of the 1890s.⁴⁹ The figures available for 1901 and 1902 show that the commissions varied from a few hundred to several thousand francs up to a maximum of twenty thousand francs, amounting to between 2 percent and 8 percent of the products sold. However, the commissions did not rise in proportion to the quantities

⁴⁸ *Entre nous* 4 (Apr. 1898): 102f.

⁴⁹ In 1903, *Merkur* wrote about the remuneration of commission-based salesmen (who had no fixed salary) that these salesmen received a certain percentage of "the fully paid sales that he has generated." In addition to his own orders, these sales would generally also include business "that came direct from the customer," i.e., even if the customer later ordered direct from the company, and all follow-up orders, which were of particular importance for the salesman's commission. *Merkur* 51 (19 Dec. 1903). A few years later, in 1907, the magazine stated that many companies were now offering an introductory commission of 10 percent in order to encourage traveling salesmen to gain new customers. The commission on subsequent orders was only 2 percent. *Merkur* 31 (3 Aug. 1907).

sold, but were determined in relation to specific conditions in each market.⁵⁰ Calculating the commissions was a complex affair, influenced by multiple factors, including the size of the territory, the traveling salesman's age, or the volume of goods sold. In 1923, the overall costs for the traveling salesmen were described as "low" in an internal report, accounting for "a little more than 6 percent of sales."⁵¹

However, at this time, most traveling salesmen were employed on a purely commission basis (without a fixed salary and expenses), which had several disadvantages over Suchard's system. In 1903, *Merkur* described the difference between the "employed traveling salesman" and the "commission-based traveling salesman":

the relationship between the traveling salesman who has a close bond with his boss, and who increasingly makes the interests of the latter his own the longer he works for him, cannot be placed on the same ethical level as the salesman who works for commissions only, who could even be working for different companies simultaneously. Skilled commercial travelers are viewed as partners by the principal and not only receive an appropriate salary, but are also personally treated as representatives to whom the entire business and its secrets are revealed.⁵²

Generally, this article described some of the basic tenets of new institutional economics, with the good salaries and high status of the traveling salesmen representing asymmetric information, which increased with their distance from the company. The salesmen could use the confidential knowledge they acquired for their own benefit, and, because they were so far away from the company, it was difficult to monitor them, while their importance for sales and market penetration was high. The companies' dependence on the loyalty of their salesmen was reflected in the higher salaries, better working conditions, and better prospects of promotion that they enjoyed.⁵³

⁵⁰ "Resultat des ventes par voyageurs, 1901–1902," no. 2493, AST. For more information about the higher income of some of the traveling salesmen based on examples from English companies, see Church, "Salesmen," 705, and French, "Commercials," 354–63. French comes to the conclusion "that Victorian commercial travellers were far more affluent than manual workers."

⁵¹ Report by Willy Russ-Young on the "politique de vente," 22 Feb. 1923, 12, no. 2182, AST.

⁵² *Merkur* 51 (19 Dec. 1903). An internal report from 1921 at Suchard recommended introducing "a sufficiently high salary," "adequate traveling expenses for the rayon," and "a small commission" as a suitable, triple-level remuneration model for the company's traveling salesmen. "Provision aux Voyageurs," 24. Nov. 1921, no. 2183, AST, 3.

⁵³ See Schulz, *Die Angestellten*, 13. According to König, *Warten und Aufrücken*, 141–151, during this entire period white-collar workers in Switzerland received twice the salary paid to blue-collar workers. Additionally, they enjoyed better working hours and employment conditions.

Respectability, Affability and Trust: The Professionalization of the Occupation

Suchard believed that a “truly good” commercial traveler must at all times—whether on the road, at a hotel, or when visiting a customer—remember that he was “the representative of an international company.” Accordingly, “his appearance, his bearing and manner, his clothes, his language, and his behavior must always reflect his company.” An article in *Entre nous* stated that politeness, patience, and “conversation suited” to the customer’s character and education were important, as were a keen perception and carefully manicured hands for displaying the samples.⁵⁴ Léon Nodot, who became a traveling salesman for Suchard in 1888, summed up the requirements profile in an article entitled “Guidelines for the Perfect Commercial Traveler,” published in 1898: “Correctness, correctness, and correctness.”⁵⁵

Despite such efforts, the general public had a completely different image of traveling salesmen. In 1874, Johann Jakob Bourcart, an assistant professor at the Swiss Federal Institute of Technology in Zurich, noted: “Everyone knows what a traveling salesman is. He is an unhappy, unfortunate soul who, when he is thrown out of the door, knows how to re-enter by the window with a smile on his face.”⁵⁶ The lack of differentiation between peddlers and hawkers, who sold their wares from door to door and were not employed by a company, and the profession of traveling salesman led to commercial travelers being considered as “exponents of intermediate trade.” Against the backdrop of an overcrowded retail market, which became noticeable after 1880, the traveling salesman was anathema for many, viewed as the “embodiment of an imaginary parasitism.” In 1888, the newspaper *Zofinger Tagblatt* described travelers as “rowdy thieves” and “empty-headed figures prone to pompous fibbing.” Only a few years later, in 1892, Theodor Wirz von Rudenz, a long-standing member of the “Ständerat” (council of states) and president of the conservative faction in the federal assembly, opined: “The traveling salesman differs from the peddler only in his gift of the gab and his taste for fancy meals. He is the gravedigger of local trade. He destroys regional shops in favor of the large centers and sows the seed of luxury and immorality.”⁵⁷ As the representatives of a new, unfamiliar

⁵⁴ *Entre nous* 1 (Jan. 1898): 16, no. 4043, AST.

⁵⁵ *Entre nous* 2 (Feb. 1898), 61, no. 4043, AST. See also “Instructions données aux voyageurs de l’agence de London,” *Entre nous* 7 (1 July 1900): 160, no. 4042, AST.

⁵⁶ Johann Jakob Bourcart, *Die Grundsätze der Industrie-Verwaltung: Ein praktischer Leitfaden* (Zurich, 1874), 116.

⁵⁷ Verband Reisender Kaufleute der Schweiz, ed., *Gedenkschrift zum Fünfzigjährigen Jubiläum 1878–1928* (Lausanne, 1928), 79, 98.

world of products, traveling salesmen—like the advertisements that were appearing everywhere—were not universally welcomed.

It was difficult to draw a line between bona fide traveling salesmen and the uncontrollable peddlers and hawkers. In addition to the issue of immorality mentioned by Rudenz, the high consumption of alcohol was frequently criticized.⁵⁸ Both were closely linked to the everyday life of the commercial travelers: a life spent in hotel rooms, traveling nonstop, and temporarily detached from family bonds as they scoured the ever-growing markets for prospects. Additionally, their work—in contrast to other commercial professions that were easier to compartmentalize—was male-dominated. In 1885, the *Merkur* referred to the few traveling saleswomen as “deviations” who “usually carried the corrective within themselves.” “The physical features of a woman and the ethical moment” had always “spoken a last and final word” against them. In 1898, the magazine was still emphasizing the point that a “feminine nature” required “a strong character and great independence to dive into the maelstrom of thousands of small and large inconveniences and dangers that ‘commercial travelers’ were exposed to.”⁵⁹ During the period examined here, Suchard employed only male commercial travelers, and according to the professional statistics of the Swiss census of 1920, of the 154 commercial travelers working for the chocolate industry, only two were women.⁶⁰

With the exception of the recruitment of inspectors and the recommendations in *Entre nous*, it is no longer possible to reconstruct with any degree of precision how and to what extent Suchard reacted to inappropriate behavior within the company. At the end of the nineteenth century, the central task of the Verband Reisender Kaufleute der Schweiz (founded in 1878) was to burnish the image of the profession and its honor. The growing importance of traveling salesmen becomes clear in their growing cohesion as a profession and their concerted pursuit of

⁵⁸ Differentiating between peddlers and traveling salesmen was difficult because traveling salesmen tended to fall into two main categories: retail salesmen and trade salesmen (“Klein-” and “Grosshandelsreisende”). While the trade salesmen only visited manufacturers, wholesalers or retailers, the retail salesmen went straight to the consumer. Although retail salesmen did not sell their wares directly, but took orders with the aid of samples, only a fine line differentiated them from peddlers. Spiekermann, *Basis der Konsumgesellschaft*, 396f. For documentation of the high consumption of alcohol among traveling salesmen see *Merkur* 17 (27 Apr. 1907) and 18 (4 May 1907). A detailed overview of the history of peddlers is given in Laurence Fontaine, *History of Pedlars in Europe* (Durham, 1996); Wilfried Reininghaus, ed., *Wanderhandel in Europa* (Hagen, 1993); and Sabine Kienitz, “Hausiererinnen: Einblicke in mobile Lebensformen Anfang des 19. Jahrhunderts,” *L' Homme* 6, Heft 1 (1995): 6–22.

⁵⁹ *Merkur* 40 (3 Oct. 1885) and 33 (13 Aug. 1898). For a discussion based on the American and the English market see Friedman, *Birth of a Salesman*, 6, and French, “Commerciales,” 368.

⁶⁰ See Gutzwiller, *Die schweizerische Schokoladenindustrie*, 67.

Im Unflaren.



Geldhändler: „Entschuldigen Sie, bin ich vielleicht heute hier auch schon herausgeschmissen worden?“

Traveler: “Excuse me, was I thrown out of here earlier today?” This cartoon is typical not only for its negative image but also, in its association of traveling salesmen with Jewish peddlers, for its anti-Semitic nature. (Source: *Nebelspalter*, a weekly satirical magazine published in Switzerland, Oct. 10, 1895.)

common interests.⁶¹ From the beginning, the association campaigned for improved working conditions and a better place in society for commercial travelers. In 1882, the association first published its own journal, the *Merkur*, and after 1883 “all hotels” were asked to “disclose their lowest prices for the association’s members.” Hotel owners who wished to be included in the association’s List of Recommended Hotels were required to take out a subscription to the *Merkur*.⁶² The association also ran a job-placement service, attempted to standardize the debt-enforcement and insolvency laws, which differed from canton to canton, and campaigned vigorously against credit abuse and unfair trade. The *Merkur* published a regular weekly “bankruptcy list,” which informed commercial travelers about insolvent companies, and by 1880 the asso-

⁶¹ In addition to the national Swiss association, after 1905 Suchard’s traveling salesmen and representatives were also members of the internal “Association for Mutual Support” called “La Fraternelle Suchard.” “Statuten des Vereins für gegenseitige Unterstützung La Fraternelle Suchard, gegründet den 1. Januar 1905,” Zurich 1913, no. 4226, AST.

⁶² Verband Reisender Kaufleute, *Gedenkschrift*, 41. For more information about the organizations for traveling salesmen in Switzerland see Karl Friedrich, *Der reisende Kaufmann: Kampf eines Berufsstandes, VRKS 1878–1978* (Wabern, 1978), 11–17, and Traber-Hefti, “Geschäftsreisende,” 266–72. Details of VRKS membership figures can be found in König, *Warten und Aufrücken*, 600f.

ciation had founded the Allgemeine Schweizerische Informationsbureau (General Swiss Information Office), which was headquartered in Zurich.⁶³ The office collected “confidential commercial information” about the creditworthiness of companies, which was made available for a small fee to “Swiss merchants, industrialists and tradesmen.”⁶⁴

The association protested vigorously against comments like those voiced by Rudenz and successfully campaigned for better control of commercial travelers by introducing compulsory licenses, the “Patenttaxengesetz” (patent act), which was passed in 1893, and—unsuccessfully—for a national law prohibiting, or at least limiting, hawking and peddling. Since the introduction of the freedom of trade in 1848, the trade of hawking had become overrun by shady characters. The association considered that hawking had “absolutely no right to exist in any form,” calling it “a wild weed in the cultural and national organization.”⁶⁵ The hawkers’ “cheek and trickiness” and their “lack of a fixed address” (in terms of both liability and taxation) were robustly criticized.⁶⁶ To improve the image of commercial travelers, *Merkur* started publishing rules to guide salesmen’s behavior and encourage them to act appropriately.⁶⁷ In 1890, with a sideways glance at the “young salesmen,” the journal stated that instead of the communal “pint of beer or wine” and the “jingle jangle,” i.e., the variety theaters, the salesmen should reawaken the “somnolent desire to learn,” read books, attend lectures, go to the theater, or practice speaking “high German.”⁶⁸

New terms that joined “health” and “hygiene” in this endeavor were “good education,” “politeness,” “good manners,” “suitable age,” “character,” and “morality.” A traveling salesman was to be “the level-headed master of any situation.”⁶⁹ However, improving the image of the commercial traveler proved to be a long and arduous task. In 1909, the

⁶³ Verband Reisender Kaufleute, *Gedenkschrift*, 57.

⁶⁴ Ibid., 21. See also Hartmut Berghoff, “Markterschliessung und Risikomanagement: Die Rolle der Kreditauskunfteien und Rating-Agenturen im Industrialisierungs- und Globalisierungsprozess des 19. Jahrhunderts,” *Vierteljahrsschrift für Sozial- und Wirtschaftsgeschichte* 92, Heft 1 (2005): 141–62.

⁶⁵ Verband Reisender Kaufleute, *Gedenkschrift*, 101.

⁶⁶ “Geschäftsreisende contra Hausirer,” *Schweizerische Blätter für Wirtschafts- und Sozialpolitik* 6 (1898): 441–63, 441. In 1898, *Merkur* differentiated between peddlers and traveling salesmen as follows: “[T]he key difference between hawkers and retail salesmen is that the former must be viewed as a profession with no fixed abode, whereas the latter profession has a fixed abode.” *Merkur* 47 (19 Nov. 1898). This debate also revolved around the issue of liability for the products sold, a factor which the peddlers did not provide or at least not to the same extent.

⁶⁷ This development also occurred in Germany, where the Verband reisender Kaufleute Deutschlands (Association of German Commercial Travelers), which was founded in 1884, also strictly distinguished itself from the peddlers and in 1893 demanded a “proper identification card” for traveling salesmen. See Spiekermann, *Basis der Konsumgesellschaft*, 398.

⁶⁸ *Merkur* 14 (5 Apr. 1890) and 16 (19 Apr. 1890).

⁶⁹ See “Wer darf reisen?” in *Merkur* 19 (13 May 1890).

traveling salesman still had “the dubious honor of being a typical satirical figure in comic papers.” For *Merkur*, the traveling salesman “was no longer the dim ‘traveling uncle’ of yore,” but a “scout of culture, a daring, energetic fighter for the propagation of the fame of commercial travelers to all the earth’s zones!”⁷⁰ The modern salesmen had a “pleasant exterior,” exhibited “emotional tact,” a “jolly, winning character,” “sangfroid,” a “certain degree of stoicism,” and a “good physical constitution”—in sum, a “happy combination in a characteristic and elastic personality.”⁷¹ If the proposal to introduce “general economic training courses” was discarded for financial reasons in the 1920s, professional training and “the issue of the introduction of higher specialized examinations for commercial travelers” became one of the association’s main demands from the 1930s on.⁷² The actual implementation of these plans was delayed until long after the Second World War. Apart from internal company training courses for traveling salesmen—which aimed to commit them to new, joint goals and present them as the pioneers of market design—the first “higher examinations” for commercial travelers and agents in Switzerland were not introduced until 1963.⁷³

Conclusion

Roy Church conjectures that the distribution channels had long been a “vital sources of intelligence” for companies.⁷⁴ The traveling salesmen of Suchard had a vast and decisive influence on the sale of products and the company’s growth. By 1900, commercial travelers had become essential intermediaries between the company and its markets, or, as Walter Friedman puts it, the “‘visible hand’ of management . . . could not have succeeded in many industries without the ‘visible handshake’ of a team of salesmen out on the road.”⁷⁵ When they returned to their companies after traveling, they would provide detailed reports of their journeys and the developments taking place in the various markets. For *Merkur*, as early as the mid-1880s, the most important goal of any good salesmen was to “win the confidence of consumers,” because mutual

⁷⁰ *Merkur* 10 (6 Mar. 1909) and 50 (15 Dec. 1900).

⁷¹ *Merkur* 8 (20 Feb. 1909).

⁷² “51. Jahresbericht des Verbandes reisender Kaufleute Schweiz umfassend den Zeitraum vom 1. Januar bis 31. Dezember 1928,” 62, 68. “Jahresbericht des Verbandes reisender Kaufleute Schweiz umfassend den Zeitraum vom 1. Januar bis 31. Dezember 1945,” 67.

⁷³ “Verband reisender Kaufleute der Schweiz,” 86. “Jahresbericht, umfassend den Zeitraum vom 1. Januar bis 31. Dezember 1963,” 7f.

⁷⁴ Roy Church, “New Perspectives on the History of Products, Firms, Marketing, and Consumers in Britain and the United States since the Mid-Nineteenth Century,” *Economic History Review* 52 (August 1999): 405–435, 430.

⁷⁵ Friedman, *Birth of a Salesman*, 7.

trust was “the soul of business relationships.”⁷⁶ The traveling salesmen instructed shop assistants about how to handle the products. At the same time, they helped to control retailers, monitored product sales, and observed changes in consumer behavior patterns. The salesmen gathered the information needed to expand the company’s sales activities, they provided the latest information about competitors, many of whom were only active in certain regions, and they were invaluable sources of information for all matters concerning advertising.

At Suchard, the increasing number of traveling salesmen and the decreasing number of agents indicate that a vertical integration of production and distribution had been progressively taking place since the 1890s. Suchard’s salesmen enjoyed a favorable reputation, and they had good chances of promotion. From the turn of the century, their work was more often controlled and institutionalized through statistical performance records, regular conferences, and oversight by the company’s inspectors. If the principles of new institutional economics are applied, both developments—setting up a control system and establishing a corporate culture that fostered cooperation and trust—can be seen as an attempt to forge as close a bond between the salesman and the company as possible in order to cut transaction costs.

How new and unusual this anticipatory approach to marketing would have seemed at the turn of the century is obvious in the continued lack of social acceptance of salesmen and the growing resistance to the widening dissemination of advertising—the “sheet metal plague” and the “poster epidemic”—which started before the First World War.⁷⁷ The traveling salesmen reacted to public antipathy by becoming more professional, by clearly differentiating themselves from the hawkers, and by founding the Association of Swiss Commercial Travelers. While traveling salesmen were labeled “the scouts of culture” by the *Merkur*, visible proof of the shiny new industrial world of products, their critics denigrated them as “the gravediggers of local trade,” a key factor in the gradual erosion of traditional market structures and the intensifying constriction of the liberty of retailers.⁷⁸ Ultimately, the increasing importance of the traveling salesman reflected the gradual penetration of manufacturers into the retail sector and marked a shift in the relations between the individual market players.

Although the differentiation between the individual segments of industry plays an important role in the history of traveling salesmen, the

⁷⁶ *Merkur* 2 (15 Jan. 1884) and 29 (18 July 1885).

⁷⁷ Dirk Reinhardt, *Von der Reklame zum Marketing: Geschichte der Wirtschaftswerbung in Deutschland* (Berlin, 1993), 265–68 and 378–86; and Christiane Lamberty, *Reklame in Deutschland, 1890–1914: Wahrnehmung, Professionalisierung und Kritik der Wirtschaftswerbung* (Berlin, 2000), 443–90.

⁷⁸ *Merkur* 50 (15 Dec. 1900): *Verband Reisender Kaufleute, Gedenkschrift*, 98.

studies of traveling salesmen in England and the United States not only show the gradual formation of the networks of trust and the high degree of appreciation the traveling salesmen enjoyed within their companies. They also pinpoint the difficulties they faced in distinguishing their activities from those of peddlers and hawkers and in contending with the negative image that continued to dog them. However, if Roy Church's detailed studies of English consumer-goods companies are taken into consideration, it is necessary to reassess Walter Friedman's appraisal of the significance of large American companies in the development of modern sales methods. As Church rightly points out, it was not necessary "to employ 'an army' of salesmen to develop innovative methods of selling," and small and medium-sized enterprises "were employing salesmen from the mid-nineteenth century at least."⁷⁹ Annual meetings where experience and knowledge were exchanged and an increasingly systematic organization and control over the activities of the traveling salesmen—from route planning to allocating districts and requiring regular reports and statistics—were already widespread in small and medium-sized enterprises before the First World War. Between 1860 and 1920, Suchard grew from a small and medium-sized company to a major enterprise; the expansion of its distribution activities occurred as the company experienced constant growth.⁸⁰ However, like the large American companies described by Friedman, Suchard displayed a more dynamic (and systematic) development after the 1890s. Overall, the company's long-term expansion started early and accelerated rapidly after the 1890s.⁸¹

After the First World War, the introduction of professional market research and the gradual emergence of an independent advertising industry posed a new set of challenges for traveling salesmen.⁸² New tools facilitated the interaction between the company and the market. Although the number of traveling salesmen continued to rise during the "Roaring Twenties," the global economic crisis that made it more difficult to sell products caused their numbers drop sharply. At the same time, membership in the Association of Swiss Commercial Travelers

⁷⁹ Church, "Salesmen," 714.

⁸⁰ A similar development can also be seen for the American food manufacturer Heinz. For more details see Koehn, "Henry Heinz," 383–88.

⁸¹ For more information about the early history of the traveling salesmen see Popp, "Building the Market," 321–47, and George V. Taylor, "Notes on Commercial Travelers in Eighteenth-Century France," *Business History Review* 38 (Autumn 1964): 346–53.

⁸² The relative loss of significance due to the emergence of market research at Rowntree is discussed by Fitzgerald, *Rowntree*, 119, 143, and 150. For a more detailed study of the development of market surveys see Harm G. Schröter, "Zur Geschichte der Marktforschung in Europa im 20. Jahrhundert," in *Geschichte des Konsums: Erträge der 20. Arbeitstagung der Gesellschaft für Sozial- und Wirtschaftsgeschichte*, 23.–26. April 2003 in Greifswald, ed.

Rolf Walter (Stuttgart, 2004), 319–41, 321.

steadily rose, as it had done before the First World War.⁸³ The profession had become more complex and demanding. After the 1950s, the growing concentration of retailers and the spread of the automobile triggered another long-term change in the profession. Despite the economic upswing and successful attempts by salesmen to become more professional, the number of traveling salesmen slowly decreased—a development that has received very little attention in either German or English-language research until now.

⁸³ *Statistisches Jahrbuch der Schweiz* (Zurich, 1893.), and *Jahrbuch des Verbandes reisender Kaufleute der Schweiz* (Zurich, 1878).